

City of Springfield  
Work Session Meeting

MINUTES OF THE WORK SESSION MEETING OF  
THE SPRINGFIELD CITY COUNCIL HELD  
MONDAY, MAY 3, 2004.

The City of Springfield council met in a work session in the Jesse Maine Meeting Room, 225 Fifth Street, Springfield, Oregon, on Monday, May 3, 2004 at 6:00 p.m., with Mayor Leiken presiding.

ATTENDANCE

Present were Mayor Leiken and Councilors Ballew, Woodrow, Lundberg, Ralston and Fitch. Also present were City Manager Mike Kelly, Assistant City Manager Cynthia Pappas, City Attorney Joe Leahy, City Attorney Meg Kieran, City Recorder Amy Sowa and members of the staff.

1. Proposed Local and Regional Sewer User Fees.

Environmental Services Supervisor Gary Colwell presented the staff report on this item. The current local and regional sanitary sewer and local drainage user rates were adopted by the council in June of 2003. Current user rates will not produce sufficient revenue to fully fund the proposed FY04-05 budget. New sewer user fees should be considered and included in the city's rate schedule for sewer user fees and adopted by resolution of the City Council.

Regional Sanitary User Fees – The Metropolitan Wastewater Management Commission (MWMC) is considering user rate increases ranging from 12 to 38 percent. The driver behind the need for a large increase is the draft 2004 Regional Wastewater Facilities Plan which includes a list of projects that are intended to address regulatory changes and provide capacity to meet the needs of growth through the year 2025. The 20-year cost of these projects is \$144 million (in 2004 dollars).

Local Sanitary User Fees – Although there has been an increase in personnel assigned to the sewer programs, much of the increase in cost is expected to be offset by charges against capital projects, permit fees, and staff reimbursement. Two local sanitary sewer user fee alternatives are proposed: 1. Hold user fees at their current level; or 2. Increase sanitary sewer user fees by 2.5 percent.

Staff recommends the 2.5 percent increase as it is reflective of the overall increase in the cost of living.

Local Storm Drainage User Fees – In order to minimize rate increases last year, the council approved decreasing the proposed Storm Drainage Program budget by \$400,000 by reducing, for one year, the annual transfer to the capital reserve. Staff had reviewed budgeted capital projects and found that while such a reduction could not be sustained without impacting capital programs, a one-time reduction would not present a serious problem.

A 9 percent, across the board, increase in drainage fees would be necessary to fully fund the Storm Drainage Program. Staff recommends the 9.0 percent increase.

Mayor Leiken asked council and staff to focus mainly on the local rates during this work session.

Mr. Colwell said that would be the focus on tonight's discussion. The briefing on the Regional Sanitary User Fees was included because the city implements these charges along with our local rates through our billing system with Springfield Utility Board (SUB). Mr. Colwell will bring the Facilities Plan topic to council in two weeks and will go into more detail at that time.

Councilor Ralston said he did not see the average cost increase for resident users on the chart shown on page 3 of Attachment A included in the agenda packet.

Mr. Colwell referred to the chart on Attachment A and explained the figures listed there. The average monthly increase in local sanitary fees to a homeowner would be about twenty five cents. The Regional Sanitary shows the twenty four and thirty eight percent options being considered by the MWMC.

Mr. Kelly said the actual dollar amount increase is actually fairly small.

Mr. Colwell said even if the higher increases were adopted for both local and regional fees, the overall increase for residential would only amount to about \$3.75 a month.

Councilor Ballew said it is better to take small increases as they are needed rather than trying to hold one year and make up for it the next with a larger increase. It is also important to keep the reserves strong for future use.

Councilor Ralston asked for clarification about the total of the increases.

Mr. Kelly explained the alternatives council is being asked to consider.

Councilor Fitch said tonight's discussion is regarding the local increases only. The regional rates would go to the Metropolitan Wastewater Management Commission for approval and then brought back to council.

Mayor Leiken asked about the new staff that would be hired in this department and their duties.

Public Works Director Dan Brown said ten new positions are being proposed in Public Works and six of the new ten would be placed in Environmental Services Department (ESD). Those would be funded through stormwater and regional wastewater fees.

Environmental Services Department Manager Susie Smith said one local stormwater staff person would be hired and they are requesting that one-half of that position be funded by PeaceHealth for the coming year. That would be implementing one of the new components of their stormwater discharge program. There are also two civil engineers, an engineering assistant, an inspector and a clerk II. All positions are Capital Program funded with the exception of the clerk II. The clerk

It would also be providing some receptionist services and implementing the data imaging project for MWMC.

Mayor Leiken said he is interested in the service end of things. As we have grown as a community, the city has had to deal with the stormwater issue for new development. He discussed conversations he and Mr. Kelly have had with John Hyland regarding this issue. He would like to see accountability and good service regarding stormwater issues. He asked how we could continue to provide the service Springfield is known for as we grow with new development and how the city would respond to these issues. He discussed the difficulties for staff when they must try to interpret the regulations they are expected to follow. Personally, he gets a lot of feedback on this issue and he would look at the service issues and accountability. He said he appreciated staff and felt they have done an outstanding job. He would like to look for opportunities to accommodate the development.

Mr. Kelly discussed some of the issues that would be coming to the Budget Committee on Tuesday, May 4. The council controls the local sanitary sewer system. Certain sewer lines, pump stations, and the plants are under the control of the MWMC, which council is a part of with Councilor Balles serving on that committee. The MWMC are struggling with the issue of regional rate increases and the need for a new facility. Council and MWMC need to agree on what type of facility needs to be built and how to pay for that facility. The MWMC has been working through this issue along with a citizen committee. Some of those who are not happy with the results of these meetings will most likely contact the council over the next few weeks. The MWMC will make the recommendation to council on what the regional rate should be. All three governmental parties have to accept the rate.

Mr. Kelly said the city is adding a number of staff, especially in Public Works. The city is backlogged in the Capital Improvement Program because of the volume of new projects coming along. The money is there, but the staffing has not been enough to keep up with this demand. Also, because of water quality changes, the city has hired staff for the Land Drainage and Alteration Permit (LDAP). There has been a learning curve for some of these new employees. Ms. Smith would need the additional staff to get out the contracts for the building of the regional facility because Springfield is responsible for the administrative side of the MWMC. There have been several PeaceHealth positions dedicated and paid for by PeaceHealth. These new positions are not General Fund positions, but are paid for through local sewer fees, by regional sewer fees, by PeaceHealth and other revenue sources. The General Fund would still benefit because of the increase through indirect charges from this department. Staff feels this is a step in the right direction to provide a higher level of service to the community. One of the budget strategies is to staff up in non-General Fund positions, take care of the backlog of work, do a better job of keeping up with demands, and transfer the appropriate indirect fees to our General Fund for support. Staff would be trained to work the Springfield way, which is cooperatively with developers. There also needs to be education for the private side on some of the regulations regarding stormwater and sewers.

Councilor Woodrow said Mr. Colwell did a fine job. He is against raising fees, but knows it must be done.

Mayor Leiken complimented staff for their work on this issue. He knows staff does not want to raise fees, but an increase is necessary to give the service the public wants. The way the city is raising the fees in smaller increments sends a message that we are trying to work through this.

Mr. Colwell confirmed that council approved of the 2.5 percent increase for local sanitary user fees and the 9 percent increase for local storm drainage user fees.

## 2. City Attorney Office Evaluation.

Human Resources Director Bill Spiry presented the staff report on this item. The results of the annual evaluation have been received, tabulated and are now ready for council review and discussion with the City Attorney's Office.

The firm of Harold, Leahy, and Kieran received high marks recently during the annual review of its performance of the city attorney duties (summarized in the chart included on the Agenda Item Summary). All of the responses were returned with satisfactory, good and excellent evaluation marks. Consequently, staff is negotiating a one-year contract renewal, to be effective on July 1, 2004.

Staff is in the process of developing and renegotiating next year's contract based upon the outcome of this evaluation and based on the city's need for their ongoing services. Staff will bring that to council for adoption for effectiveness in July.

Councilor Fitch said there have been complex issues with PeaceHealth and others. She asked the city attorneys if the city was calculating a sufficient amount of their time for these issues. She also asked if these other projects were causing other items to be put on the back burner.

Ms. Kieran said because of the hospital a larger number of the retainer hours have been spent on those planning issues. Those additional hours have caused the city attorney's office to go over the budgeted amount and other projects have been put on the back burner. They are about eighty hours over the projected amount for the year.

Mr. Leahy said the hourly rate negotiated for last year was \$127/per hour, but with the additional hours that figure averaged closer to \$122/per hour. Mr. Leahy said this was discussed in a conversation with the Human Resources Director, Finance Director, City Manager and Assistant City Manager. He said like other members of the city staff, there are always a lot of things for the city attorneys to do and some things get put on the back burner because timely things need to be done first. Neither city staff nor the city attorney's office have a lot of substitutes. If PeaceHealth disappeared tomorrow, there would still be plenty of work for the city attorneys.

Councilor Fitch asked if they would then be able to be more proactive.

Mr. Leahy said that was correct. He noted that one of his comments on the evaluation form related to the city attorney's office doing a better job on legislative issues and new legislation. They attend seminars and conferences to acquaint themselves with city issues, and respond to

those when they receive them. He said he would like to be able to do a better job to be more proactive in getting the information to city staff.

Councilor Fitch asked if his priorities and assignments come from the City Manager's office, Councilors, departments or staff.

Mr. Leahy said the council gets top priority, with City Manager next. He said they do take calls from staff because they can often solve a problem before it gets to be a bigger problem. That is an opportunity to be more proactive.

Councilor Fitch asked if there was a more appropriate way for the city to bring their questions to the city attorney's office.

Mr. Leahy said there was some natural weeding out. If a staff person called and it was not an emergency or a priority, their question would get put to the end of the line.

Councilor Woodrow asked about the number of hours the city attorney's office had contracted for last year.

Mr. Leahy said they were contracted for 2040, but the actual hours worked was about 2160. They have submitted a proposal based on no increase in salary, but being paid for hours worked.

Ms. Kieran said they would base their hours on what was worked last year.

Councilor Woodrow thanked the city attorney's office for the work they have done. He appreciated the help they have given to council.

Mr. Leahy asked about a comment on page two regarding litigation and who may have written that comment.

Discussion was held regarding when it is beneficial to use litigation and when it is not.

Mr. Leahy commended Ms. Kieran on saving the city \$60,000 on a recent litigation situation.

Councilor Fitch discussed the budget and the hourly cost of the city attorneys compared to the cost for other cities.

Ms. Kieran said the City of Eugene pays their city attorneys on an hourly basis. She thought it was a 'not to exceed \$150.00/hour', but would be billed at the attorney's usual rate, which is close to \$130.00 to \$140.00/hour.

Ms. Pappas said there had not been a cost of living increase for the city attorney's office in the last several years.

Mr. Spiry noted the increased demands on the city attorney's office, including cost of living adjustments for their employees and the higher cost of doing business.

Ms. Kieran discussed the increased costs of health insurance and publications.

Councilor Fitch said although the city does not have funding, she wondered why the attorneys weren't asking for higher pay.

Ms. Kieran said the hours are honest and if they could honestly get the hours they work, that would be a step in the right direction.

Mr. Leahy said they have three retainers. One of those is with Lane Community College (LCC) who anticipated a larger volume of hours needed. Another retainer is with Springfield Utility Board (SUB). They worked fewer hours for SUB than their retainer so they reduced that figure. That is how they do business. They worked more hours for the city last year.

Councilor Ballew said she would like to see changes on the City Attorney's Evaluation form similar to what was done with the City Manager's Evaluation form.

Mr. Leahy agreed. He said it is hard for him to complete the form the way it is written so he creates his own system when using the form. He said there are areas the city attorney's office could improve and there are areas they do very well.

Councilor Fitch said the Finance Committee could work with Mr. Spiry and the City Attorney's office on creating a new form

Ms. Kieran introduced Matt Cox, the newest associate of the city attorney's office. Mr. Cox has five years of experience with the District Attorney's office and brings strength to their team.

Councilor Fitch said being proactive is better than reactive. When the city attorney's office empowers the staff with their knowledge, staff is better able to respond.

Mr. Leahy said all department heads get training, but would benefit getting legal education.

Mayor Leiken commended the city attorney's office for their action regarding a development issue which brought about a solution and saved the city a large amount of money. He discussed LDAP issues and the transportation issue he and Ms. Kieran addressed before the Land Conservation and Development Commission (LCDC). He said the city is well served by their office. He thanked them for their volunteer time in the community as well.

#### ADJOURNMENT

The meeting was adjourned at 6:50 pm.

Minutes Recorder – Amy Sowa

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Sidney W. Leiken

Mayor

Attest:

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Amy Sowa  
City Recorder